

MICHIGAN AERONAUTICS COMMISSION

Minutes of Meeting

Lansing, Michigan

March 27, 2003

Pursuant to Section 31 of Act 327 of the Public Acts of 1945, the Commissioners of the Michigan Aeronautics Commission (MAC), created by said act, met in the 2nd Floor Commission Conference Room, at 2700 East Airport Service Drive, Lansing, Michigan, on Thursday, March 27, 2003, commencing at the hour of approximately 9:00 a.m.

Members Present

Fred Rakunas, Chair
Sidney Adams, Jr., Vice Chair
Dean Greenblatt, Commissioner
Leon Hank, Commissioner
Capt. John Ort, Commissioner
Ken Heaton, Commissioner
Guy Gordon, Commissioner
Rob Abent, Director
Barbara Burris, Commission Analyst
Jim Shell, Legal Counsel

Members Absent

Alice Gustafson, Commissioner
Lowell E. Kraft, Commissioner

From the Bureau of Aeronautics

Ron Seely, Airports Division
David Baker, Airports Division
Tom Krashen, Aviation Services Division
Rick Hammond, Airports Division
Pauline Misjak, Aviation Services Division
Gerry Edwards, Aviation Services Division
Randy Coller, Airports Division
Rick Carlson, Air Transport
MaryKay Trierweiler, Airports Division

Also Present

Bill Blake, AOPA
William Gehman, Former MAC Director
Denise Daniel, NWA
Phil Johnson, MAAE President
Pete Burgher, Former MAC Commissioner
Mike Lynn, Capital City Airport
David Reid, W.K. Kellogg
Steve Williams, Office of Sen. McManus
Mike Trout, Bishop International
John Strehl, Antrim County
Edd Maynard, Wexford County
Mark Johnson, Livingston County
Jon Bayless, Abrams
Mitchell Price, Brooks Field

A list of all others present is attached to the official minutes.

I. OPENING REMARKS

The meeting was called to order by Chairman Rakunas at 9:00 a.m. He advised that the meeting would proceed as quickly as possible in order to conclude by the 11:00 starting time for the joint meeting with the State Transportation Commission.

He recognized various individuals in attendance: Former Aeronautics Director William Gehman; AOPA Regional Representative Bill Blake; and MAAE President Phil Johnson. Additionally, he recognized first-time attendee Denise Daniel, Executive Assistant to Andrea Newman, Senior Vice President of Northwest Airlines. He noted the absence of Commissioner Kraft, and related the sad news of the passing of Commissioner Alice Gustafson, on March 25. Commissioner Gustafson, having been a sitting member of the Commission for the past 12 years, twice served as Chair. Aviation was her passion, and the aviation community has experienced a tremendous loss.

II. COMMISSION BUSINESS

A. January 22, 2003

The Chair entertained a motion to approve the minutes of January 22, 2003.

A motion was made by Commissioner Adams, seconded by Commissioner Greenblatt, to approve the minutes of January 22, 2003. MOTION CARRIED.

The Chairman called on David Baker, Funding Manager, to present the 46 airport improvement projects requiring Commission approval.

B. Airport Development Program

With the aid of PowerPoint, Mr. Baker quickly briefed the Commissioners on the 46 projects. He invited questions for clarification from the Commissioners.

Federal/State/Local and State/Local Projects

Location	Total Allocation	Project Description
Lenawee County Adrian	\$ 1,704,000	Relocation of Sand Creek Highway and Carleton Road; Clearing of Area for Extension of Runway 5/22 to 5000 feet.
Alpena County Regional Alpena	\$ 1,214,000	Rehabilitation of Field Electrical Vault; Security Fencing; Apron, Taxiway, Roadway, and Parking Lot Lighting; RSA's for 7/25; SRE Blower and SRE Building
Huron County Memorial Bad Axe	\$ 30,000	Design Rehabilitation of Runway 3/21
Charlevoix Municipal Charlevoix	\$ 53,000	Design of Automobile Parking
Clare Municipal Clare	\$ 60,000	Land Acquisition and Tree Clearing
Branch County Memorial Coldwater	\$ 17,200	Design of Apron Rehabilitation
Willow Run Detroit	\$ 1,000,000	Infrastructure and Safety Improvements
Delta County Escanaba	\$ 2,010,000	Expansion of Terminal Building and Land Acquisition
Evart Municipal Evart	\$ 27,000	Design of Partial Taxiway to Runway
Bishop International Flint	\$ 1,900,000	Construct West Perimeter Road
Memorial Airpark Grand Haven	\$ 20,500	Design of Rehabilitation of Parallel Taxiway
Grayling Army Airfield Grayling	\$ 500,000	Rehabilitation of Lighting for Runway 5/23 and 14/32; ALP Update, PAPI, and REIL
Houghton County Memorial Hancock	\$ 369,000	SRE, Design of Runway 7/25 MIRL Rehabilitation with Paved Shoulder Widening; Improvements to RSA's of 7/25; Design/Analysis of Storm Sewer System
Houghton County Memorial Hancock	\$ 550,000	Phase II - Perimeter Road and Security Fencing

Hastings City/Barry County Hastings	\$ 90,000	Snow Removal Equipment
Ionia County Ionia	\$ 41,550	Design of Perimeter Road and ALP Update
Gogebic Iron County Ironwood	\$ 136,000	Environmental Assessment and Preliminary Engineering for Crosswind Runway
Kalamazoo/Battle Creek International Kalamazoo	\$ 1,360,000	Jet Bridge, Security System, Snow Removal Equipment, Airport Layout Plan and Design
Capital City Airport Lansing	\$ 4,386,000	Security Access, Perimeter Road, Master Plan
Price's Airport Linden	\$ 50,000	Second Phase of Lighting of Runway 9/27; Additional Runway Extension Funds
Mackinac Island Mackinac Island	\$ 150,000	Renovation to MIRLS; New Homeruns for REILS; Paint Marking
Marlette Township Marlette	\$ 66,667	Supplemental Transfer to 9/27/01 for Construction of Taxiway; Rehabilitate Apron Tiedown
Mason Jewett Field Mason	\$ 396,000	Land Acquisition
Menominee Marinette Twin County Menominee	\$ 166,667	Construction of High-Security Gate, Rehabilitation of South GA Apron and Terminal Apron
Oscoda County Mio	\$ 35,000	Land Acquisition
Muskegon County Muskegon	\$ 992,000	Land Acquisition, Rehabilitation of Security Fencing, Beacon, Signs, and Parking Lot Construction
Oakland/Southwest Airport New Hudson	\$ 161,877	Land Acquisition
Ontonagon County Ontonagon	\$ 166,667	ALP Update; Snow Removal Equipment Building; Relocate and Replace NDB; Crack Sealing and Runway Rehabilitation
Oscoda-Wurtsmith Oscoda	\$ 166,667	Rehabilitation of GA Hangar Apron - Phase II
Owosso Community Owosso	\$ 100,000	REILS

Bois Blanc Island Point Aux Pins	\$ 65,000	Environmental Assessment
Romeo State Romeo	\$ 1,050,000	Reconstruct Runway 18/36/Lighting
Saginaw County H.W. Browne Saginaw	\$ 182,667	Rehabilitate Apron
MBS International Saginaw	\$ 1,223,000	Snow Removal Equipment; Two Blowers; Land Acquisition; Sand Storage Building
Chippewa County International Sault Ste. Marie	\$ 1,111,000	Snow Removal Equipment - Blower, Loader, Grader, Pick-up and Chute
South Haven Area Regional South Haven	\$ 112,167	Land Acquisition
Paul C. Miller - Sparta Sparta	\$ 166,667	Land Acquisition Planning and Runway Design (Runway 7/25)
Kirsch Municipal Sturgis	\$ 43,200	Airport Layout Plan Update
Cherry Capital Traverse City	\$ 2,040,000	Automobile Parking Area
Cherry Capital Traverse City	\$ 10,900,000	Phase IV: Apron, Connecting Taxiway, Taxiway G with Hold Apron; Runway 10/28 RSA Improvements; Boundary Survey and Perimeter Road
Oakland/Troy Airport Troy	\$ 101,667	Install Wind Sock, Segmented Circle, and Rehabilitate Service Drive
West Branch Community West Branch	\$ 20,819	NDB, Airplane Tie-down Replacement; Paint Marking and Crack Sealing
White Cloud White Cloud	\$ 55,444	Rehabilitate, Widen; Lights; Wind Cone; Segmented Circle
Statewide	\$ 230,000	Crack Sealing
Statewide	\$ 200,000	Paint Marking
Statewide	\$ 105,750	ARFF Training
Statewide	\$ 6,700	Windsocks, Edge Cones, Terminal Locks

The Chairman entertained a motion to approve the transfer of funding for the 46 projects identified by Mr. Baker.

A motion was made by Commissioner Adams, seconded by Commissioner Heaton, to approve funding for the 46 projects described. MOTION CARRIED.

The Chair requested that Mr. Baker continue with the supplemental funding requests.

In addition to the 46 enhancement projects presented, Mr. Baker described two supplemental projects approved by the Director since the last Commission meeting: 1) Oakland County International—an increase of three percent, precipitated by a higher-than-anticipated final estimate, thereby increasing the total project cost to \$6,944,400; and 2) Canton-Plymouth-Mettetal—an increase of five percent, to cover the local portion, thereby increasing the total project cost to \$348,333.

No official action was required on the supplemental transfers.

The Chair thanked Mr. Baker and praised the efforts of staff of the bureau; in particular, Ron Seely, Airports Administrator, and Pauline Misjak, Aviation Services Administrator.

C. Confirmation of Committee Appointments

The Chairman proceeded to Item C on the agenda. He noted that since the fall of 2002, the Commission has changed five times, with Commissioners coming and going. With no official action required on this item, he announced that the appointments would stand, pending any objections from the Commissioners.

There being no formal objections to the committee appointments, the Chairman declared the appointments would stand as noted. He noted the upcoming meeting of the General Aviation Committee, scheduled for April 24, 2003.

At this juncture, Director Abent asked that the next item on the agenda be deferred pending the arrival of MDOT Director Gloria Jeff.

The Chairman proceeded with the next item of business.

D. Meeting Schedule for 2003

Citing the disconcerting financial picture of state government, Chairman Rakunas proposed that all off-site meetings for the year 2003 be cancelled and brought back to Lansing. He asked that the Commissioners consider this a cost-savings gesture to assist in balancing the state budget. He indicated that in order to do so, the by-laws pertaining to off-site meetings would have to be suspended. The meeting scheduled for September 10 would need to be bumped to September 17, so as not to conflict with the MAAE

conference scheduled for the week of September 15. He entertained discussion and a motion to suspend the offsite meetings.

A motion was made by Commissioner Adams to suspend the by-laws and transfer the meetings scheduled for venues other than Lansing back to Lansing.

The motion was supported by Commissioner Greenblatt.

Commissioner Hank commented that the state is engaged in many cost-saving activities, and that the issue of outstate meetings had been discussed. He noted that following this exchange, and recognizing the enormous benefit to the constituent, it was the consensus of opinion that it would not be necessary to cancel all offsite meetings. He continued that subject to any formal objection from MDOT Director Jeff, it would not be necessary to cancel the meetings scheduled for venues outside of Lansing; that his intention would be to vote nay on any motion to suspend the offsite meetings.

Upon further discussion, the Chairman withdrew the Traverse City venue from consideration and proposed approval of the Battle Creek and Boyne Highland venues, scheduled for July and September, respectively.

Whereupon, Commissioner Adams withdrew his motion to cancel all offsite meetings for 2003, and Commissioner Greenblatt withdrew his support.

At this juncture, MDOT Director Gloria Jeff joined the meeting and was briefed on the discussions held off the record.

Whereupon, Commissioner Greenblatt moved that only the Traverse City meeting scheduled for May 21 be relocated to Lansing. Motion supported by Commissioner Adams. MOTION CARRIED.

(A revised schedule for meetings to be held in 2003 is attached to the official record.)

Commissioner Greenblatt suggested that the bureau's website be updated to reflect the changes in venue.

Commissioner Hank recapped the action taken as follows: Three meetings were planned for outside of Lansing; there now are two. This, he added, is in keeping with the MAC's commitment to interact with its customers in all parts of the state.

Director Abent asked Commissioners to welcome MDOT Director Gloria Jeff, who, he noted had received confirmation from the Senate in record time. He advised that Director Jeff has publicly stated on numerous occasions her support for the aviation community and a desire to ensure that MDOT is a multi-modal transportation department. He deferred to Director Jeff for the "Director's Report."

E. Director's Report

A summary of Director Jeff's remarks follows:

Director Jeff acknowledged the passing of Commissioner Alice Gustafson and extended heartfelt condolences to Commissioner Gustafson's husband, Robert, and her family. She added, based upon a reading of Commissioner Gustafson's accomplishments, "she was an extraordinary woman."

Recognizing the critical issues facing aviation within the next year, Director Jeff pledged to personally attend the Aeronautics Commission meetings and be an active participant as often as possible; adding, "the importance of aviation warrants the Director's attention." Director Jeff will be represented by Leon Hank on occasions when she is unable to attend.

With regard to Homeland Security, she deferred to the presentation scheduled for the joint meeting by Transportation Security Administrator Jim Bullock, which would be both informative and reassuring with regards to steps taken to ensure that Michigan's air carrier and general aviation airports are well protected. An emergency notification plan is in place that will be utilized in the event of an actual terrorist attack or the probability of an event that will fully mobilize not only MDOT but also members of the Michigan State Police and the Department of Military Affairs. She indicated Michigan is well positioned to address any security issues that may be forthcoming.

One of the key priorities established by the Director for *Team MDOT* includes the reauthorization of AIR-21 and making sure that *Team MDOT* does an excellent job of bringing back to Michigan Michigan's taxpayer dollars. She noted the critical link between Michigan aviation and the legislation known as AIR-21, which is scheduled to expire this year. Director Jeff stressed the need to have a sustainable, multi-year bill; one that Congress would not be able to redirect when priorities change.

Director Jeff asserted that there is a need for Congress to recognize the issues in the aviation industry that go beyond homeland security and bailouts to the commercial airline industry. She indicated that *Team MDOT* will work very hard with the Governor's Washington Office to make these a priority. Staff are in place in Washington (Dan Beatty,

former Chief of Staff to Congressman Dingle, and Lynne Jensen, Transportation Advisor) to address the transportation needs of Michigan.

Ms. Jeff indicated that the Governor has confidence in *Team MDOT*, and thus has chosen not to put a policy person in place. She added that *Team MDOT* would be looking to the Commission for assistance in working with the Michigan Legislature on convincing lawmakers in Washington to do the right thing for Michigan.

Last year, the Michigan Legislature passed the Airport Safety and Protection Plan, which included authorization of a \$60 million bond issue, covering the next five years, to provide the state match for capital improvement projects. This will be used to leverage approximately \$1.1 billion of capital improvements and is predicated upon the assumption that at a minimum Michigan will retain the same number of dollars under the reauthorization of AIR-21. An increase in funding, however, is anticipated. She characterized the \$1.1 billion in investments a real blessing.

With respect to the 2004 budget and the Detroit Metropolitan Airport, Director Jeff indicated that the Governor has asked the department to pull the final amount of bonds associated with the airport from the Michigan Transportation Fund, as opposed to the Rainy Day Fund.

The Chairman thanked Director Jeff and asked that she entertain questions from the Commissioners. He noted the importance of the AIR-21 legislation and praised the department for its proactive measure to return federal dollars to the 230 airport managers in the state.

In follow-up remarks, Chairman Rakunas explained the mechanics of selecting a chair to the Commission and noted that Commission Adams would become Chair in November. At this juncture, the Chair appointed Commissioner Adams to be the liaison between the MAC and the Director's Office. When asked by the Chair if they concurred with this arrangement, both Director Jeff and Commissioner Adams nodded affirmatively.

No additional questions to the Director were forthcoming.

Continuing with the Agenda, Chairman Rakunas called upon Director Abent for an update on bureau/department activities.

F. Director's Update

Excerpts from the report presented by Aeronautics Commission Director Rob Abent follow:

With respect to the AIR-21 reauthorization, the primary initiative of the department this year will be to capture as many federal funds as possible. This will involve strategy development and coordination within the department. Director Abent indicated that former MAC Commissioner Ron Seely, currently Airports Administrator, had been selected to be the point person on the AIR-21 reauthorization; that Mr. Seely has refined a strategy and has met with staff in the Governor's Washington Office regarding AIR-21. He will continue to meet with the Governor's staff and members of Congress on this issue. Director Abent deferred to Mr. Seely for a PowerPoint presentation on this subject and the Airports Conference held in February.

G. Airports Conference Highlights/Resolution RE: AIR-21 Support

a. *Airports Conference*

Preliminary to his report on aviation funding, Mr. Seely proceeded through a series of slides pertaining to the Airports Conference held February 12 and 13 of this year at the Holiday Inn South in Lansing. The conference, with a stated purpose being "to provide a mutually beneficial forum for the education and training of Michigan's aviation community" was a joint effort between the Michigan Association of Airport Executives and the Bureau of Multi-Modal Transportation. Some 219 attendees and 25 consultants/contractors participated. Presenters at the conference included staff of the Federal Aviation Administration. Cecelia Hunziker, FAA Administrator, provided a keynote address, as did staff of the Bureau of Multi-Modal Transportation. Conference attendees were inspired by special guest speakers Dr. Bruce Holmes of NASA, who spoke on the Small Airport Transportation System, and Lt. Governor John Cherry. On the second day of the conference, awards were presented to the Airport Sponsor of the Year, Thom Salter, Oscoda, and the Airport Consultant of the Year, a tie between Bob Andrews of RS&H and Steve Ott of the Smith Group/JJR. Mr. Seely thanked all who helped make the conference a resounding success. Next year's conference is scheduled for February 18-19, 2004, at the Holiday Inn South.

b. *Resolution RE: AIR-21 Support*

Mr. Seely continued with an Executive Summary on the AIR-21 (Aviation Investment Reform for the 21st Century) reauthorization legislation, included in the Commissioners' books as Exhibit F.

AIR-21, legislation that provides federal dollars for Michigan, is set to expire in September 2003, and help is needed to ensure its reenactment. Reiterating Director Jeff's prior testimony, Mr. Seely indicated Michigan would best benefit from a multi-year

funding program (2004-2007). The FAA version is a four-year package, with incremental increases each year.

AIR-21 is on the fast track. Based on meetings with the National Association of State Aviation Officials and Washington staff, AIR-21 is deemed to be noncontroversial and is moving quickly. Mr. Seely cited quotes from Transportation Secretary Norman Mineta and others to back up this point. He cautioned that controversy may arise if the numbers get too big; that small incremental increases in AIR-21 would be less controversial.

He called attention to the proposed resolution labeled Exhibit F, for adoption by the Commission, and specifically to the first "Resolved" clause, which addresses the diversion of funds from the Airport Improvement Program for mandates of the Transportation Security Administration. (Since September 2002, \$561 million has been diverted from the AIP program of AIR-21 and used for TSA-mandated security systems.) It is the department's belief that the Homeland Defense Department should generate its own revenue and that Homeland Security requirements should not be siphoned from AIR-21.

The second and final "Resolve" clause in Exhibit F refers to modifications that the department believes should be included in AIR-21. Bullet No. 1 calls for an increase in AIP funding levels of \$3.5 billion. In 2003, the AIP was funded at \$3.4 billion. The recommendation of NASAO, et al, is that the AIP be reauthorized at a level no less than \$3.5 billion in 2004, and increased by \$100 million (minimum) in subsequent years of the reauthorization.

Mr. Seely provided explanation for the funding levels (conservative and noncontroversial) and the incremental increases proposed. He indicated that asking for too much would be hard for Congress to swallow and would likely trigger a review of the "points of order," or the firewall protections. Conservative measures would increase the likelihood of the program being fully funded at the authorized level and would be good for Michigan.

Bullet #2 addresses non-primary entitlements of \$150 million per airport. When not used by the airport, these funds revert back to the FAA. Michigan would like to see language that would allow it to retain and redirect this funding.

Bullet # 3 deals with reliever entitlement, which is approximately two-thirds of one percent of the AIP discretionary set-aside. Two airports in the state qualify for these funds: Willow Run and Oakland/Pontiac. Current funding levels are inadequate. Michigan is recommending that a minimum of \$1 million per year be set aside for reliever airports.

Bullet #4 speaks to expanding the use of non-primary entitlements for qualifying projects. This would provide flexibility and allow funding to be programmed for the construction of terminal facilities, hangars, et cetera.

Assuming reauthorization occurs, Michigan is positioned to leverage \$130-\$160 million per year for airport improvements.

Mr. Seely noted that three of Michigan's airports receive Essential Air Service subsidy. Michigan would like to see this program continued. He indicated that this, too, is a noncontroversial item, albeit funding levels have yet to be established.

He reported that the Small Community Air Service program has been cancelled, yet this too is a program that Michigan and others feel should be continued.

Mr. Seely asked the Commission to adopt the Resolution titled "Funding of Aviation Investment Act for the 21st Century (AIR-21)." He indicated that following Commission approval, the resolution, along with a letter of transmittal to the Governor, will be forwarded to Director Jeff for her endorsement, and on to the Governor's Washington Office. It will eventually wind up in the hands of Michigan's Congressional delegation.

Mr. Seely provided a recap of the previous testimony and described parallel activities associated with the AIR-21 reauthorization. He indicated that now is the ideal time for the MAC to act on this resolution. He invited follow-up questions from the MAC.

The Chair recognized Commissioner Greenblatt.

Citing "Be It Resolved" paragraphs as the most important paragraphs, Commissioner Greenblatt read from the second to last paragraph on page 2:

"... BE IT RESOLVED that the Michigan Aeronautics Commission strongly urges our United States Senators and Representatives from the State of Michigan to actively support full federal multi-year funding for the nation's airports and the aviation system *to the exclusion* (emphasis added) of funding required for TSA security mandates"

He asked if improved wording might be "exclusive of funding," so as not to confuse anyone that we are asking that the AIP be funded and the TSA not..

The amended wording as suggested by Commissioner Greenblatt received unanimous support.

The Chair entertained a motion to adopt the Resolution pertaining to the reauthorization of AIR-21.

Motion made by Commissioner Greenblatt to adopt the resolution as printed with the following amendment: “. . . to the exclusion of” will become “exclusive of.” The motion was supported by Vice Chairman Adams. MOTION CARRIED.

Proceeding to the next item of business, Chairman Rakunas directed attention to a letter in the Commissioners' folders (Exhibit G) from Tower Chief Ron Hubbard, Traverse City Air Traffic Control, regarding the acquisition of radar at the Traverse City tower, which he noted, has been pending for some 25 years. The Chair recognized Mr. Steve Pearsall.

H. Resolution RE: Traverse City Tower/Radar

Mr. Pearsall, Support Specialist, TVC ATCT, with the aid of slides, briefed the Commission on the situation at the Traverse City tower.

The TVC ATCT is attempting to acquire funding from the FAA for construction of a new control tower to replace the existing tower (built in 1975), which, he indicated, has outlived its usefulness, as well as the base building, at a cost of approximately \$7 million. The need for these improvements has been demonstrated at the local, regional, and national level, but the project has been superseded by other projects deemed more urgent. He noted that the existing facilities do not meet FAA standards for line of site or physical security. Site and preconstruction evaluations will need to be completed prior to construction of the new tower and base building, in accordance with FAA regulations.

In addition, he indicated, a need has been demonstrated for approach control radar services at the Traverse City Airport to ensure safety and airspace efficiency for the flying public but is yet to receive the financial backing of the FAA. Mechanical spaces, as well, are no longer able to accommodate current or future equipment needs. Mr. Pearsall reported that post September 11, the TVC tower is unable to accommodate the physical safety requirements mandated by the Transportation Security Administration. The project, he stated, is currently in the 2005 budget cycle but may take as many as 10 to 12 years to receive funding. Congressman David Camp has been contacted regarding his assistance and intervention.

Mr. Pearsall asked the Commission to consider adopting a nonbinding resolution of support for the Travers City tower that recognizes the need for the replacement of the tower (validated and certified by the FAA) and supports the notion that the FAA should fund the proposed project. Mr. Pearsall added that with the construction of the new tower

and base building, an argument can be made for the appropriate implementation of approach control radar.

Chairman Rakunas pointed out that the funding for this project would in no way impact federal AIP projects in the state.

Motion made by Commissioner Adams, with support from Commissioner Greenblatt, to adopt a resolution in support of the construction of a tower and base building, as well as installation of approach control radar, at the Traverse City Airport.

Commissioner Hank, quoting from the resolution, “. . . Whereas, we feel the Traverse City airport and northwest lower Michigan do not currently have adequate radar coverage for the increasing traffic volume . . .” asked if there could be regulatory consequences associated with the language contained therein.

Whereupon, Chairman Rakunas defined the radar vectoring altitude provided by Minneapolis and the implications of increasing traffic. Coverage as it exists today is adequate, he noted, but may become more difficult with steadily increasing traffic. (Additional clarification provided by Mr. Pearsall.)

Whereupon, an amendment to the paragraph cited was suggested by Commissioner Hank:

“. . . Whereas, we feel the Traverse City airport and northwest lower Michigan could benefit from improved radar coverage . . .”?

Commissioner Greenblatt suggested an additional amendment to the last resolution paragraph, which reads: “. . . Be it further resolved that all due consideration be given to ensure the safe and efficient operation of the airspace . . .” as follows:

“Be it further resolved that the Michigan Aeronautics Commission supports the safe and efficient operation of the airspace, both now and in the future, by the acquisition of Approach Control Radar” to add emphasis.

Upon further discussion, Commissioner Adams withdrew his motion supporting the resolution first presented and Commissioner Greenblatt his support.

A motion was made by Commissioner Greenblatt to adopt the amended resolution in support of the Traverse City Tower and Radar with the modifications noted. Motion supported by Commissioner Adams. MOTION CARRIED.

III. PUBLIC COMMENT

The Chairman called on Mr. Frank Sinagra, Director of the Michigan Aerospace Foundation, who had submitted a request to appear.

A. Yankee Air Museum

At the conclusion of preliminary remarks, Mr. Sinagra introduced Mr. Dennis Norton, President of the Michigan Aerospace Foundation.

With the aid of PowerPoint, Mr. Norton briefed the Commission on plans to construct a world-class aviation center to house and preserve historical aviation artifacts.

The Michigan Aerospace Foundation (MAF), founded in late 2001, has a mission of raising funds to plan, construct and operate a new museum, library and hangar for the Yankee Air Museum. The YAM will be located at the Willow Run Airport and housed in one of the last remaining original WWII hangars at the airport. Mr. Norton outlined the current and future plans for this one-of-its-kind museums, which is estimated to cost between \$20 and \$40 million.

He emphasized that the foundation was not seeking funding from the MAC; rather, it was looking for support, contacts, and possibly a resolution in support. He invited anyone in the room with an interest in the project to contact the board and become involved. He invited questions from the audience and the Commissioners.

Chairman Rakunas advised that the bureau publishes a quarterly magazine titled "Michigan Aviation," which is circulated to approximately 18,000 pilots and reaches some 2,000 additional readers; that the magazine would be an excellent medium to disseminate information about the museum.

The Chair called on Mr. Ron Koelsch of Roscommon County.

B. Roscommon Conservation Airport

A summary of the remarks by Mr. Koelsch follows:

The Department of Natural Resources Airport in Roscommon (3RC), built during WWII as a reliever airport, is located within a few miles of Roscommon. Since the late '40s through 2000, pilots have had hangars located at 3RC on the basis of land-use permits with annual renewal. In the year 2000, the DNR re-evaluated its air operations and determined that the land use permits should be replaced with a 13-year lease. Action of this nature requires the

approval of the DNR Commission. In February, 2003, the DNR Commission, upon advice and consent of Director Kool, voted to close the airport and require the hangars be removed. Mr. Koelsch related a desire on the part of pilots in the Roscommon area to keep the airport open. He introduced Mr. Michael Freer, Village Manager of Roscommon. Mr. Freer's remarks are paraphrased as follows:

Mr. Freer reported that meetings regarding the airport have recently been held with members of the Michigan Legislature and representatives of the DNR. He advised that the Village of Roscommon has as its objective keeping the airport open to the public.

He cited the potential for economic development. He reported that the village council had voted to explore ownership of the airport. He proposed an alternative whereby the village would purchase the facility and assume all liability and responsibility for its operation. In turn, the DNR would be granted use of the airport and appropriate housing for its aircraft in perpetuity, at no cost. The airport has been an integral part of the Roscommon community. He asked the Commission to consider the village's proposal and lend its advice and assistance to keep the airport open.


Chairman Rakunas responded. He advised that the Michigan Aeronautics Commission and the Bureau of Aeronautics have long been actively engaged in airport preservation in Michigan; however, inasmuch as the matter is presently under review by the DNR Commission, the MAC would not presume to have authority to intervene in the matter. Once all the issues are resolved, he stated, the MAC would be able to offer whatever assistance it has available. He deferred to Commissioner Gordon for additional comment.

Commissioner Gordon acknowledged the existence of a liability concern. He reported that a constructive meeting had taken place the day previous between himself and representatives of the Village of Roscommon; that following said meeting, he went back and discussed the matter with Director Kool, who praised the innovative efforts of the village council. He went on to say that the DNR director had reached a compromise that would make some happy but not others. He indicated that the airport would remain open to the public; however, as previously mentioned, the owners of the hangars would have until August 30 to remove their hangars from the airport property. He added that based on an infrastructure survey conducted by the DNR, the airport is expected to serve the DNR's needs for another 10 to 20 years. The airport will continue to be used by DNR staff for wildlife management, wildfire surveillance, and so forth. He indicated that the DNR continues to have severe liability concerns with regards to others operating aircraft on the airfield, and especially to private hangars; however, the airport will remain open for public use. Liability concerns will be addressed with legal counsel. He thanked Mr. Freer for his interest and cooperation with the DNR on this issue.

In follow-up remarks, Chairman Rakunas indicated that Commissioner Gordon would be the point of contact for this issue and asked that he report back to the MAC on this matter at a later date.

The Chairman announced that the next meeting of the Aeronautics Commission would be May 21, in Lansing, at the Bureau of Multi-Modal Transportation Services, first floor auditorium. He thanked the guests in attendance for coming and asked that they proceed to the first floor auditorium for a joint meeting with the State Transportation Commission.

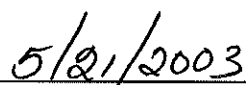
Whereupon, at approximately 10:30 a.m., the meeting adjourned.



Director



Chairman



Dated

**MINUTES
of the
Joint Meeting
of the
State Transportation Commission
and the
Michigan Aeronautics Commission**

Thursday, March 27, 2003
Bureau of Multi-Modal Transportation Services
2700 E. Airport Service Drive
Lansing, MI 48906
11:00 A.M.

STATE TRANSPORTATION COMMISSION

Members Present:

Ted Wahby, Chairman
Lowell Jackson, Commissioner
C. Robert Baillod, Commissioner
Robert Bender, Commissioner

Members Absent:

Betty Jean Awrey, Vice Chair
John Garside, Commissioner

MICHIGAN AERONAUTICS COMMISSION

Members Present:

Fred Rakunas, Chairman
Sidney Adams, Jr., Vice Chair
Dean Greenblatt, Commissioner

Brig. Gen. Ken Heaton, Commissioner
Capt. John Ort, Commissioner
Guy Gordon, Commissioner
Gloria J. Jeff, Commissioner
Rob Abent, Director

Members Absent:

Alice Gustafson, Commissioner
Lowell E. Kraft, Commissioner

Also Present:

Patrick Isom, Legal Counsel
Barbara Burris, Commission Analyst

A list of all others present is attached to the official minutes.

I. OPENING REMARKS/INTRODUCTIONS

The Joint Meeting of the State Transportation Commission and the Aeronautics Commission was called to order by State Transportation Commission Chairman Ted Wahby at 10:45 p.m. He welcomed the members of the Aeronautics Commission and guests in attendance. He noted that once each year, the two Commissions come together for a joint meeting. He deferred to Aeronautics Chairman Fred Rakunas to introduce the members of the Aeronautics Commission.

Chairman Rakunas asked the members of the Aeronautics Commission to introduce themselves and state their affiliations. Aeronautics Commissioners, from right to left, introduced themselves as follows: Guy Gordon, Department of Natural Resources; John Ort, Michigan State Police; Ken Heaton, Department of Military and Veterans Affairs; Rob Abent, Aeronautics Commission Director; Dean Greenblatt, White Lake; Sid Adams, (Cereal City) Battle Creek; and Fred Rakunas, Ret. NWA airline pilot, Torch Lake.

Members of the State Transportation Commission also called a roll: Bob Bender, newest member of the Commission; Bob Baillod, Houghton-Hancock; Lowell Jackson, representing northern lower Michigan, Northport; Ted Wahby, St. Clair Shores.

Chairman Wahby called on MDOT Director Gloria Jeff to brief the Commissions on the Michigan Department of Transportation.

II. DIRECTOR'S REPORT

A synopsis of the Director Jeff's remarks, characterized as "A Chronology of the First 60 Days as Director" follows:

The mission of the Michigan Department of Transportation is *to provide high quality transportation services that increase economic activity and improve the quality of life for Michigan citizens*. The department is aggressively engaged in this pursuit.

With the aid of slides, Ms. Jeff provided an overview on transportation and the goals for the department.

The focus of the department is on preserving and maintaining the state's investment in the transportation system. She listed the four basic categories of activity, aimed at the goal of maintaining roads and bridges in the state (a \$1.6 billion program): Repair, Reconstruction, Preventative Maintenance, and Routine Maintenance. Concentrated efforts in these areas will ensure our investment in the bridges and roadways of Michigan. Safety also continues to be a priority. She noted that 185 bridges have been improved, and approximately 1000 miles of roadway have been rehabilitated under the Capital Preventative Maintenance Program. The

department continues to focus on rehabilitation and reconstruction, particularly with respect to routes that have been evaluated and deemed to be in poor condition.

Ms. Jeff advised that Governor Granholm has made one of the components of her plan for Transportation the concept of "fix it first and fix it right." The department has embraced and implemented this philosophy.

The department is examining its mix of fixes to ensure that roadways are good for the long term as well as short term. Toward that end, the department is looking at new ways of addressing its reconstruction and preservation focus. Within the next few days, Ms. Jeff indicated, the department is anticipating an exciting announcement with respect to preservation. Some examples of projects that have been announced already include: the resurfacing of US-2 in the upper peninsula; building a new bridge over the Au Sable; reconstruction of I-69; resurfacing of the Ford Freeway in Metro Detroit; and enhancement of Telegraph Road through Dearborn and Dearborn Heights. The department's goal is to have 90 percent of the state's highways, roads and streets, 95 percent of the freeways, and 85 percent of the non-freeways, in good condition by the year 2007, and a comparable result on bridges. Beyond roads and bridges, the department is also focusing on other program areas; i.e., transportation enhancement programs. In addition to the federal dollars received by formula, an additional \$9 million (FY 2003) will be invested in historic preservation and improvements to transportation facilities that enhance the aesthetics and protect the environment, through investment in water quality and a reduction in the incidence of wildlife mortality associated with transportation programs. Ms. Jeff identified the various projects associated with these programs.

In addition to highway roads and streets, the department will invest approximately \$230 million in support of locally-operated transit systems to encourage mobility of Michigan citizens.

Michigan has some 40 commercial ports. MDOT operates ferry's and invests approximately \$1.9 million of capital and operating funding in this area.

With respect to AMTRAK and rail passenger service, the department continues to invest approximately \$2.8 million in an initial 6-month AMTRAK operation. Negotiations are ongoing with regard to the expenditure of the \$5.6 million that the Legislature has made available for this service. The department is also involved in commuter rail and regional rail studies to look at opportunities to implement high-speed rail service between Detroit and Chicago.

In the area of commerce movement, MDOT continues to provide leadership by investing in things such as a marine port in Detroit and Wayne County; preservation of rail trackage and rights of way to supplement state-owned rail lines; and providing loans to private operators of railways to make sure we are providing choices to Michigan businesses to move their product.

MDOT continues to give commuters choices, as well. Ms. Jeff noted that parts of Michigan have

the highest proportion of single-occupancy vehicles. MDOT continues to encourage choices by providing ride-share options, such as van pooling, and constructing car pool lots that are extensively used for ride sharing (to reduce the amount of air pollution and land consumed). These efforts, she noted, will improve the quality of life of our citizenry.

MDOT is engaged in approximately 10 to 12 aviation program areas, ranging from airport improvement programs to navigational aids, to providing air transportation for state employees and officials in a cost-effective, rapid manner, while keeping MDOT pilots current. Safety is a priority for Team MDOT, primarily for passengers, but for pilots and aircraft as well. Funding levels have continued to grow in terms of aviation (with the exception of a slight dip in 1997), and continued growth is anticipated. The department is hopeful, with regards to the AIR-21 reauthorization, that funding levels will continue to rise. Capital outlay funding levels in 2003 are just over \$217 million, to be spent on some 16 primary/commercial service airports and 54 of the 231 general aviation airports in the state on such things as new terminal facilities, runway extensions, rehabilitation of taxiways, and so forth. An expansion of eligibility requirements precipitated by the terrorist attack of 9/11 has led to additional funding opportunities in the area of bomb sniffing dogs and their kennels; body armor; protection for cargo areas, et cetera. MDOT is aggressively engaged with respect to aviation security. Ms. Jeff described the various actions implemented by MDOT to conform with FAA security mandates.

The economic impact of aviation on the State of Michigan is extensive. Ten billion dollars is invested annually in the economy by way of some 16 million commercial and general aviation passengers and one billion pounds of air cargo. Setting aside the present downturn, Michigan has seen a steady increase in passengers. Our airports provide access to the rest of the country and the world.

Transportation is the glue that binds all other economic activities together, whether it is the Governor's focus on economic activities in the cities or encouraging economic development. MDOT's commitment to providing transportation services of world class quality to its citizenry in a multitude of fashions makes Michigan the nation's leader in transportation.

Director Jeff invited questions from the Commission.

Transportation Chairman Wahby thanked Director Jeff. He deferred to MAC Chairman Rakunas for the next item of business.

Chairman Rakunas called on Brigadier General Ken Heaton, Commander, Headquarters, Michigan Air National Guard, for a briefing on military activities in Iraq.

III. PRESENTATIONS

Acting in his role as Deputy Director of the Department of Military and Veterans Affairs,

Michigan Air National Guard, Brig. Gen. Heaton provided a briefing, summarized as follows:

A. Michigan National Guard

The Michigan National Guard is extensively engaged in all theaters around the world. The Guard consists of approximately 11,500 members of both Army and Air Force personnel, with the majority being Army National Guard personnel. The Michigan National Guard has a very big impact on what's happening in Michigan.

The particular sector under Brig. Gen. Heaton's command, the Air National Guard, consists of approximately 2700 members based at three locations around the state: Battle Creek, Selfridge and Alpena. F-16s from Selfridge provide round-the-clock/365-day-per-year air coverage for the state and the nation. Currently, they are engaged in combat air patrol missions. C-130s have been deployed overseas and continue to provide transport and air lift activities. The third unit, based at Battle Creek, flies A-10s, and these were deployed approximately one month ago to transport roughly 300 troops to the theater in Kuwait. They are engaged in round-the-clock combat support missions, working with the Army, the British, and the Marines.

Gen. Heaton related a recent incident of a near disaster involving an A-10 pilot and the quick response needed to safely land the aircraft while heavily laden with ordinances.

The missions that our troops are involved in are interesting and very intense, he stated, and involvement of the Guard is expected to intensify across the country, especially with respect to security at our airports. He asked all present to pray for the men and women who serve our country.

Proceeding to the next item, Chairman Rakunas deferred to Commissioner Ort for an introduction of the next presenter.

Commissioner Ort, speaking as a member of the Michigan State Police and Director of Homeland Security and Emergency Management, introduced Mr. Jim Bullock, Federal Security Director. Mr. Bullock, he related, retired from the MSP at the rank of commander of the bomb squad, a subdivision of the Forensic Science Division, where he provided leadership and expertise in the area of incendiaries. He noted Mr. Bullock's national acclaim as a developer of safety equipment, and an expert in the field. Mr. Bullock is extensively involved in national policy for bomb squads and safety with regard to explosives. Mr. Bullock received the MSP Director's Award for his outstanding accomplishments within the bomb squad. Describing Mr. Bullock as a real asset to the Transportation Security Administration, he asked those in attendance to welcome Mr. Bullock.

B. Transportation Security Administration

With the aid of PowerPoint, Mr. Bullock provided a briefing on the Transportation Security Administration. His remarks are paraphrased as follows:

The Transportation Security Administration (TSA), created by the Transportation Security Act of November 2001, has two areas of concentration: 1) aviation security, and 2) maritime and land security. To date, because of the events of 9/11, aviation security has been in the forefront, and primary resources have been dedicated to aviation security. Although considered no less important, Congressional mandates required that standards for maritime and land use be achieved by the end of 2002.

On March 1, 2003, the TSA was reassigned to the Department of Homeland Security, reporting to the Director of Transportation Security, who oversees, by far, the largest division, comprised of approximately 55,000 personnel.

The primary mission of the TSA is *to protect the transportation system and ensure freedom of movement of persons and commerce*. The TSA has responsibility for security at all the airports. The secondary mission of the TSA is *to provide excellent security and customer service*. Experts have been brought in from all fields of expertise to create the TSA. Mr. Bullock noted that the TSA, while quickly assembled, has taken a common sense approach to the processing of passengers through airports to make this process as efficient as possible; that the TSA constantly reevaluates its processes. While each airport is unique, with different security needs, the TSA strives to make standards as uniform as possible.

Approximately 130 federal security directors oversee multiple airports around the country. Mr. Bullock's range of authority encompasses Lansing's Capital City Airport, Flint Bishop Airport, and the Saginaw/Bay City/Midland Tri-County Airport. He identified the security directors in other areas of the state, whose mission, like his own, is to ensure the safety of passengers; screening of cargo; regulatory inspection; and law enforcement. The 429 commercial airports around the country are separated into five regions, each with a regional director. In addition, a central administrative office provides assistance in the management of the airports.

The goal of the TSA is to establish confidence in the transportation system and ensure the continued safety of the public. Mr. Bullock cited surveys indicating that three out of four travelers feel safer as a result of the stricter airport security, and that an overwhelming majority of travelers say they are getting used to the changes and don't mind them.

With respect to security measures, the TSA takes the approach that one size doesn't necessary fit all. A security threat at one particular airport in the country would not

necessary precipitate changes at all airports.

Mr. Bullock listed the deadlines required of the TSA by federal mandate; the first being to deploy federal screeners at all the nation's airports. As of November 19, the country had a total of 44,000 federal screeners. On December 31st, the mandate to check all baggage went into effect.

With respect to general aviation, the TSA has formed partnerships with general aviation associations that make up a general aviation coalition. The TSA has implemented rules relating to general aviation airports. The establishment of a hot line for pilots under the "Airport Watch Program," a program similar to the Neighborhood Watch Program, is just one example. Additional rules, such as the so-called 12/5 rules relating to aircraft of more than 12,500 pounds, and private charter rules, will go into effect in the near future.

With respect to maritime and land, which covers rail, highways, mass transit, and cargo security, the state has in place a cooperative effort between various state agencies. Mr. Bullock indicated that in the near future, the Coast Guard will be absorbed by the Department of Homeland Security and will be responsible for security of the bridges and tunnels between Michigan and Canada. TSAs, the Immigration and Naturalization Service, and the Customs Service will come under the umbrella of Homeland Security, as well. Once these operations are brought into the Department of Homeland Security, functions will be examined to ensure that duplication and overlapping does not occur and that the common mission can be accomplished.

Currently, the TSA for maritime and land has no field operations, as funding is yet to be identified. Over \$92 million in grants have been awarded in Michigan to develop a computer tracking system for hazardous materials transport.

Mr. Bullock concluded by stating, "terrorists only have to get it right once, but the TSA has to get it right every time." The TSA works hard to accomplish this goal. He invited questions from the Commissioners.

Commissioner Adams inquired about the number 4444 on his boarding pass during a recent trip.

A general discussion regarding coding of boarding passes followed.

Mr. Bullock described a computerized data base system under development that would automatically process passengers that are pre-screened and the corresponding screening of their luggage.

Chairman Rakunas, on behalf of both Commissions, thanked Mr. Bullock for his

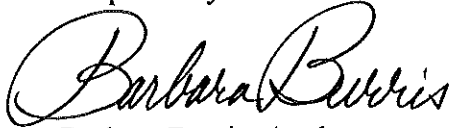
insightful briefing. He opened the floor to comments from the public and/or the Commissioners.

Commissioner Lowell Jackson thanked the Aeronautics Commission for forwarding the interests of Traverse City by way of approving a resolution relating to a tower and radar.

There being no further business to come before the joint Commissions, Chairman Wahby declared the meeting adjourned.

Whereupon, the meeting concluded at approximately 11:27 a.m.

Respectfully submitted,

A handwritten signature in cursive script that reads "Barbara Burris". The signature is written in black ink and is positioned above the printed name and title.

Barbara Burris, Analyst
Michigan Aeronautics Commission